

Industrial Democracy

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CHICAGO, MAY 14, 1927

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United States Finishes Conquest of Nicaragua

The last act in the brutal military seizure of Nicaragua by the United States was described early this week in a message from Henry L. Stimson, imperialist agent of the United States who was sent to Nicaragua by President Coolidge to deliver the ultimatum of the administration to the Liberal forces.

At the Point of U. S. Guns

This seizure of a small and weak country by the most powerful nation in the world constitutes one of the most brazen acts of imperialistic thievery in modern times, despite the long and disgraceful records of Great Britain, France, Italy and Czarist Russia. It was achieved by means of a military ultimatum delivered to the Liberals and backed by the strong military forces now distributed throughout Nicaragua. A dispatch from Nicaraguan Liberal sources one day after Stimson had announced the surrender of the Liberal forces states that President Coolidge considered the retention of Adolfo Diaz as a constitutional president of Nicaragua as a question of "honor and prestige" and was prepared to authorize the American marines to forcibly disarm the warring groups.

The surrender of the Liberals is described next day in a news dispatch. MANAGUA, Nicaragua.—Gen. José Moncada, commander-in-chief of the Liberal forces, has issued a proclamation to the liberal troops to disband and has urged them to turn over their arms to the United States marines in Nicaragua as soon as possible.

Gen. Moncada reached the Liberal lines this morning from the peace conference attended by Liberal representatives and Henry L. Stimson, personal representative of President Coolidge. The advises said that the Liberal commander-in-chief told leaders that

it was best for the Liberal forces to lay down their arms in view of his understanding that the United States would use force if necessary to restore peace.

It is understood that the announcement was received unfavorably by several leaders, but indications were that little, if any resistance, would be offered to the disarming process.

"1. Complete disarmament on both sides.

"2. An immediate general peace to permit planting for the new crop in June.

"3. A general amnesty to all persons in rebellion or exile.

"4. The return of all occupied or confiscated property to its owners.

"5. Participation in the Diaz cabinet by representative Liberals.

"6. Organization of a Nicaraguan constabulary on a nonpartisan basis, commanded by American officers.

"7. American supervision of the 1928 election.

"8. The continuance temporarily in the country of a sufficient force of American marines to guarantee order pending the organization of the constabulary."

The peace program also provides that Gen. Diaz, the Conservative president, recognized by the United States, will stay in office until after the 1928 election.

"Peace Terms"

Under the terms of "surrender" every point for which the Coolidge administration has been contending was won. Not only does the liberal president and agent of American imperialism remain in office, but THE AMERICAN MILITARY FORCES IN CHANGING DISGUISE, REMAIN IN POSSESSION OF NICARAGUA.

No amount of fair, but hypocritical language under which the conquest of Nicaragua is concealed can conceal these underlying facts, as the following "peace terms" show:

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Coolidge's New and Dangerous Doctrine

By Laurence Todd

WASHINGTON, D. C.—Out of the White House comes a new doctrine of international conduct.

This doctrine was stated in connection with the Stimson letter to Gen. Moncada, military commander of the Nicaragua Liberals. It was: The method by which we get peace in Nicaragua is not important; the thing that the public should keep its eye on is the fact that we get what we go after, which is peaceful.

That is to say, Coolidge sent Stimson to Nicaragua to tell the Liberals that the United States government had decided to conquer them by gunfire unless they surrendered immediately. The method did not matter to the Coolidge administration; the Latin American republics might protest if they dared, but probably they would not dare. Washington demanded instant surrender, regardless of international law and regardless of the American constitution, which entrusts the war-making power to Congress.

Nor is any canal of any strategic importance by itself. We have gradually learned, as England before us, that to control a canal one must dominate its approaches. We have discovered that we must not only have the Canal Zone; we must also command adjacent bases of operation. Should we build a canal through Nicaragua, we would doubtless discover the same. We would require, first, a zone; we would then take guarantees of sanitation and public order to protect the zone; and presently we would find ourselves insisting, as our presence in Panama has led us, upon further precautions to enable us to safeguard the guarantees. "If you believe the military men, nothing is safe," remarked Lord Salisbury, with the expanding north-west frontier of India in mind. The United States, with her canal, has been brought to the verge of a similar policy of successive extensions of

attack, the Canal locks, the power-plant and the drainage system upon which they depend are highly vulnerable. In addition to comparative freedom from those weaknesses as a strategic highway, the Nicaragua route provides a convenient lake in which to hide half a dozen battle fleets, ready to emerge on an hour's notice. There are no harbor accommodations at the Panama isthmus for a fleet of any size. Only part of a fleet can pass the Canal at once. Whatever the advantages which we have derived from the Panama Canal, strategic safety, for which we built it, can not be regarded as one of them.

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Vanzetti and Others Bare Misconduct of Judge Thayer

Eminent Citizens Tell of Gross Injustice in New Affidavits

BOSTON—A remarkable petition signed by Bartolomeo Vanzetti asking "not mercy but for justice" for him and Nicola Sacco today had been added to the great stack of documents before Gov. Alvin T. Fuller.

With Vanzetti's petition were filed five affidavits and an unsigned statement charging Judge Webster Thayer, before whom Sacco and Vanzetti were tried, with grave offenses against judicial ethics.

Financier Backs Plea

The unsigned statement is by George U. Crocker, lawyer and financier of Boston, and the affidavits are signed by Robert Benchley, playwright and dramatic critic of Life; Lois B. Rantoul, who reported on the Sacco-Vanzetti trial for the Greater Boston Federation of Churches, and three newspaper men, Frank P. Sibley of the Boston Globe, Elizabeth K. Bernkopf of the International News Service, and John Nicholas Beffel, who reported for the Federated Press. "I know that Judge Thayer was

not an impartial judge in this case," states the conservative Mr. Crocker, member of the University and Union clubs, who tells how he was "annoyed" at the "impropriety" of Judge Thayer's confidences to him in the University club, where the Judge stayed in Boston while sitting in the Sacco-Vanzetti trial.

Judge Called Unfair

"No argument, no explanation, no excuse can ever blot out the facts that the testimony of Capt. Proctor (state police officer), who believed

hor and our principles condemn such a crime."

The trial was "unfair, unworthy of the name of justice, and certainly unworthy of the tradition of even-handed justice which your race and your country profess to respect," the petition continued.

Identification Disputed

The governor is asked in the petition also to consider that "some of the witnesses called to identify him immediately after the murder identified photographs of other persons as the murderers; that some witnesses who were unable to identify us at the police station identified us more than a year later at the trial... with such particular descriptions that a scientist said it would be impossible to observe so many things in so short a time."

Vanzetti's Petition

"Since the nature of each human being is common with the fundamental nature of mankind, and consequently the sentiment of justice is fundamentally common to all men, we can safely speak to you as man to man, notwithstanding deep differences of opinion which divide us," Vanzetti told Gov. Fuller.

"We had nothing to do with the South Braintree murder," the petition continued. "Our instincts are of

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"news" are the people being fed by our capitalist war-makers for the purpose of preparing them for imperialism's next war.

Steel Trust Takes Notice of Appeal

The American Appeal draws fire from the United States Steel Corporation in a private letter to a citizen in New York City. In reply to a news item in a recent issue of the Appeal, the trust abuses the Appeal and Socialist papers generally and attempts to justify its recent 40 per cent stock dividend. It states that a surplus of \$203,321,000 dollars had accumulated. As the preferred stockholders are held down to a dividend of 7 per cent, it had to hand this neat little surplus to the common stockholders. The trust did not explain why this dividend was made in stock instead of cash—why the common stockholders and the trust were given additional taxing power over the public, requiring greater dividends to exist.

In overruling the objections made by our counsel to this cross-examination, the judge made statements in the presence of the jury which were uncalled for by anything that had occurred, and must have operated to deepen the prejudice against us.

False Propaganda of Warmakers Bared

In last week's issue, the American Appeal reprinted on this page under the head, "American Kultur," a quotation from the Chicago Tribune, purporting to be part of speech made by T. V. Smith, professor of philosophy, University of Chicago. The quotation lauds war as "a human virtue" and condemns pacifism as "the wildest dream of an adolescent imagination."

A reliable and prominent Chicago liberal attorney writes the Appeal that this quotation was manufactured by the Tribune out of whole cloth;

that Prof. Smith did not say anything remotely resembling the Tribune quotation, and that in fact Prof. Smith's views are exactly opposite to those imputed to him by the Tribune.

On such unreliable and polluted

information, the Socialists stand a splendid chance to carry Finland by a majority, to the other parties combined.

READING, Pa.—James H. McLean, president of the Pennsylvania Federation of Labor, will be one of the candidates in the election here this year.

In a rousing convention of the Socialist party, additional city candidates were named as follows:

Henry Stump, additional candidate for city council; George A. Snyder, for the school board;

Walter H. Hollinger, Albert J. Frenzmann and George D. Snyder, for controller; and William C. Hoover, for treasurer, candidate for the city ticket. In addition, a county ticket was named for each office except those of judges and district attorney.

Stump, Maurer and Snyder are experienced campaigners and their nomination assures a vigorous campaign for the control of the local government.

Maurer lacked only a few votes in being elected to the legislature in Reading last year. The Socialists lost only because quite a number of them failed to register.

The campaign will be started early this month and this mistake will not be made again.

Maurer and Stump Socialist Nominees On Reading Ticket

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Socialist Party News

N. E. C. to Meet

Pittsburgh, May 21.

The meeting of the N. E. C. will be held in the Hotel Chatham, Saturday and Sunday, May 21 and 22nd, beginning on Saturday at 10:00 A. M. On Saturday evening there will be a social and dance on the Roof Garden. On Sunday afternoon there will be a Mass Meeting in the Labor Lyceum, to be addressed by Berger on American Imperialism. Hillquit will speak on America's Relation to the League of Nations. Oneal will speak on Massachusetts Justice in the Sacco-Vanzetti case. Comrade Sharts will act as Chairman.

On Sunday evening there will be a banquet in Labor Lyceum Hall, tenured by the Socialists of Allegheny County and the spread will be prepared by the Women's Committee. There will also be a Debs Memorial Radio Conference in Hotel Chatham Saturday night, May 21. Sympathetic unions have been asked to send delegations to this meeting. A member of the N. E. C. will address this conference and assist in bringing about effective organized support for the Debs Memorial.

Pennsylvania Active

State Secretary Hoopes of Pennsylvania has just sent a letter to the party locals and branches of the party, urging them to arouse themselves in the work and he urges that a committee be appointed in every local and branch to canvas for names to nomination papers and urges that a chairman be elected to each committee and then immediately communicate with the State Secretary. As soon as the papers are printed at Harrisburg, they will be forwarded to the chairmen of these committees but he urges that the committee do not wait for the papers but immediately organize said committees.

Rocky Mountain District

Comrade O. A. Kennedy, Secretary of the Rocky Mountain District reports to National Headquarters that they are doing everything possible to increase the membership of the party and to build up a large circulation for the American Appeal. A general plan is being worked out for summer activity.

Indiana

The State Secretary of Indiana, Mrs. Effie M. Mueller, 229 S. Keystone Ave., Indianapolis, Ind., is anxious to hear from Appeal readers throughout the State, that they may more fully cooperate with the State organization in the building of party organizations, and she urges that those not members of the party please write her at once and tell her that they are ready to join. The preparation for organization for the big campaign just ahead of us should be considered by every member in the State, not only in the way of party organization but in the building up of the circulation of the American Appeal.

Wisconsin

The Socialists of Wisconsin are initiating the necessary arrangements for their annual state picnic, which will be held in Pleasant Valley Park,

West Allis, Wisconsin, on Sunday morning, afternoon and evening, July 17.

The Socialists of Milwaukee are again organizing their bundle brigades and will start distributing 100,000 pieces of literature each month commencing August or September. About 300 to 400 Socialists will be organized to distribute literature in certain areas. This plan had been abandoned before the war, but is now being revived.

Edmund T. Melms, Secretary of the Socialist party of Milwaukee, is now appealing to the brigades to again organize bundle brigades and distribute literature.

This literature will deal with local, national and international questions, and Socialism in general.

Comrades of Milwaukee through ill-mated parents in an obscure corner of the world. He was a self-made man in the fullest sense; but he became the most conspicuous aristocrat in America. Hamilton was an impious man, and not original—his whole policy being borrowed from the old English monarchical system. Hamilton stood aloof from the crowd and mingled only with the moneyed interests of the country. He did not understand the people, and called them "a great beast." He felt that they could be kept within bounds only by the strong hand of centralized government, controlled by an aristocratic minority.

Of Shay's insurrection, Jefferson simply stated, "whenever our affairs go obviously wrong, the good sense of the people will interpose and set them right." Hamilton was horrified at that episode, and would have crushed the rebellion with a hand of iron.

The First Congress of the United States of America assembled for its first session in the City of New York, during the spring of 1789. The Constitution made no provision for the establishment of the President's Cabinet, as we now have it. All details were left for Congressional determination.

Thus, was respect, and fear of the national government established among the workers.

In order to still further strengthen the interest of the American capitalists in the American government, Hamilton secured the passage of the bank charter. This charter authorized the establishment of the U. S. Bank with a capital of \$10,000,000, one-fifth to be secured by the government and the remainder by American business. The bank was to supply the people with a circulating medium, and to loan the government money when necessary. This step afforded American Capitalism almost absolute control of the financial condition of the American working-class.

Thus, within a year and a half, Alexander Hamilton had secured, in the passage of the "assumption, funding of the debt, and bank charter" measures, power over the American working class vested in the American government controlled by American Capitalists.

Hamilton's first recommendation showed that the public debt amounted to some \$54,000,000, of which \$12,000,000 was owed to France, the bulk being due to creditors at home, powerful business men. This was a tremendous burden for the young Republic. But another fact intruded. Many of the states had individually organized and outfitted state militia to fight against the British. The State debts thus incurred amounted to some \$21,000,000. Hamilton recommended that these state debts be borne by the national government, bringing the national debt to \$75,000,000.

This recommendation met with tremendous opposition from the small merchants and middle class on two grounds. First, because certain states had refunded their debts, and would not benefit by the increase in national debt. And secondly, and most vigorously, because of the resultant loss in sovereignty of the states. For by agreeing to take over the debts of the states, the federal government made itself responsible for the states. It became the parent, and consequently tended to remove the cloak of sovereignty. But this was just what Hamilton desired.

The ultimate sovereignty of the federal

Young People's Department

National Office
YOUNG PROGRESSIVE SOC. LEAGUE
28 Townsend St., Pittsburgh, Pa.
Anne J. Parker, Natl. Director.

Hamilton, Founder of American Capitalism

By Louis Rabinowitz

Alexander Hamilton was born of ill-mated parents in an obscure corner of the world. He was a self-made man in the fullest sense; but he became the most conspicuous aristocrat in America. Hamilton was an impious man, and not original—his whole policy being borrowed from the old English monarchical system. Hamilton stood aloof from the crowd and mingled only with the moneyed interests of the country. He did not understand the people, and called them "a great beast." He felt that they could be kept within bounds only by the strong hand of centralized government, controlled by an aristocratic minority.

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Army Report

This week Army returns drop back to the low level that existed before the Emergency Drive. THE WEEKLY INCOME NOW IS ONLY HALF LARGE ENOUGH TO MEET THE WEEKLY EXPENSE. We don't have to tell the Army what this will mean in a short time. Whenever the Army makes a special effort, as it did during the recent drive, it puts the Appeal on a going basis. When the Army "takes it easy" for a week or two, it puts the Appeal in a dangerous position. Let every Army member realize this and we will not be self-supporting. BUT WE WILL GROW.

The Army record for the week ending May 7, 1927 was as follows:

Cards \$1,160.00

Bundles 13,04

Subscriptions 101.02

Promotion & Sustaining Fund 43.50

Total \$169.60

Appeal Fund

The American Appeal Promotion and Sustaining Fund for the week ending May 7, 1927 was as follows:

Contributions \$1.00

D. Buhler, Anglim, Mo. \$1.00

Mac. M. Croushore, Perryopolis, Pa. 4.00

Karl C. Jurek, Greenwich, Conn. 4.00

Mollie Brady, Corry Island, N. Y. 2.00

Daniel Blaufus, Buffalo, N. Y. 1.00

Mike Preysel, Billiton, Pa. 1.00

Helen Norton, Auburn, Maine 1.00

Nick Chrusta, Cleveland, Ohio. 1.00

Martin O'Connor, Crawfordsville, Ind. 1.00

Total \$16.50

Previously reported \$1,152.24

Total gifts since January 1, \$3,197.4

Army Activities During the Week

Karl C. Jurek of Greenwich,

NEWS AND VIEWS

Is Great Britain Turning Fascist?

The Tory anti-labor bill has precipitated a struggle of such magnitude and virulence that one is led to wonder if Great Britain is not now entering a Fascist-Socialist struggle bound to end in decidedly forward backward change of the system.

Among the first to proclaim the Fascist nature of the bill are the Italian Fascist papers. The following is from the "Messenger," one of Mussolini's organs:

"Once more it is Fascist Italy who teaches; she has found abroad as approval which goes so far as to provide an imitation, even improving on the Italian example, in its penal provisions the British Bill seems much more severe than the Italian."

The London Herald, Socialist and Labor daily, says of this bill that it will stop all sympathetic strikes and prevent any real solidarity of labor in the future. It makes illegal all strikes that do not arise from industrial disputes and clothes the capitalist courts with the power to determine whether or not a strike is illegal, so that in the last analysis any strike may be illegal. In case a strike is declared illegal the employer may institute a damage suit and collect full damages against the union, cause that would bankrupt any union and put it out of existence. Finally, in order to disable Labor's other arm, the Labor Party, the bill attempts to prevent the collection by the Party of sums voted by the unions to sustain the Party.

The Appeal has repeatedly said that capitalism casts democracy overboard and turns to Fascism or some other form of militaristic control when the voters break away from its mental grip and begin to change the system. England has undoubtedly reached that stage. Six or eight months ago Winston Churchill, after visiting Mussolini, gave his public endorsement to the Fascist system as the official representative of the British Tory government. For the past year England and Italy have been two of the closest allies in the world. Every move of Italian im-

perialism in Africa is backed by England and every move of British imperialism in China is backed by Mussolini. British capitalism and the British aristocracy feel themselves seriously endangered by the rapid rise of the Labor movement and are rapidly drifting toward the extreme measures of state and military control that characterize Fascism.

But this move is not without its compensation. The Tories are confronted by an intelligent, powerful and thoroughly aroused British labor movement. The anti-labor bill has been called the "cement bill" because it has cemented together all factions of the workers. The cooperative movement embracing 40,000 members has cast its lot with the Labor and Socialist movement in this fight. The biggest, the most thorough, the most intensive, campaign for the education and organization of the workers in the history of the Great Britain has been launched. Three thousand meetings have been planned. There is every prospect that this campaign will unite the workers of all Great Britain who represent a large majority of the people. There is every prospect that as a result of this desperate move of the Tories to save the capitalist system, the Socialists will carry England in the next election and will assume power, unless they are prevented by extreme military measures.

Protecting Investments Abroad

(Editorial, Labor, Washington, D.C.) Two recent utterances of prominent men need to be taken together to get their full meaning. The first is a statement made by President Coolidge in his address to the United Press. Speaking of the foreign policies of the United States, he said: "The person and property of a citizen are a part of the general domain of the nation, even when abroad."

This is a most remarkable utterance. That the nation is interested in the welfare of its citizens abroad is taken for granted. But "domain" means something over which we have dominion, something

which we rule; and it must be assumed that President Coolidge used the word which meant what he wanted to say. If he did, then every foreign investment is a piece of transplanted sovereignty, which the nation may be called on at any moment to protect, even at the cost of what that characterizes Fascism.

The matter is made more serious by conditions summed up by Frank A. Vanderlip in an interview a short time ago. Mr. Vanderlip says that Americans have loaned and invested abroad thirteen billion dollars—50 per cent more than all the sums advanced to our allies during the war. Nearly all this vast sum has been spent abroad since the armistice.

Mr. Vanderlip thinks our financiers are sending money abroad at a recklessness rate, and the probabilities are that he is right. There has not been time since the war to gather knowledge and develop organizations which would safeguard the distant investment of such gigantic amounts. It may be pointed out, too, that the French people before the war loaned some \$4,000,000,000 to Russia and Russian industries, from which not a paper rouble is coming back to France —.

But much more important than the chance of financial loss is the menace to peace if President Coolidge's doctrine of "domain" is to be applied to the prodigious quantities of money now loaned to or invested in foreign lands.

Mr. Vanderlip points out that already we have taken over the administration of Haiti and Nicaragua to safeguard our investments in those countries. If the doctrine of domain is to be carried out, we may have to do the same with Mexico and Argentina. Any speculator can move our warship and marines wherever he chooses, merely by sending his own investments ahead.

This is dollar diplomacy with a vengeance. Rather, it is dollar dominion, with the diplomacy left out. If this is to be the policy of our government—and tremendous financial interests are trying to make it such—then the fewer foreign investments we make, the better.

the contributions of the more than well-to-do. No labor organization ever voted it a nickel. Many like the United Mine Workers and the International Ladies Garment Workers have openly condemned it and forbidden their members to join it. This, however, did not affect Mr. Samuel Gompers, former president of the American Federation of Labor, who was for years a vice-president of the Civic Federation and one of its most active public supporters. Nor does it affect the activities of Mr. Matthew Woll, who is now Mr. Easley's "acting president."

An Open Shop Aggregation

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In Six Articles Article IV

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DeMan is rather definitely on the revisionist side of the Marxian controversy. Discussing the increasing misery theory, he declares that the important question is not whether misery constantly increases among the workers, but whether such increasing misery is a necessary fore-runner of a revolution. If socialists really believed that this were the case, they would confine their attention to the preaching of class consciousness, and wait until the proletarian mass, sinking ever deeper in misery and conscious of their wrongs, revolted and established a new order.

Finally, out of these complexes arises a demand, on his part, for something to obtain power in the workshop and in social life generally; to join with his fellows, and secure protection in his work.

Thwarted in his desires, he develops certain complexes; he feels that he is being exploited, that he is failing to get the satisfaction due him from his work; that he is being deprived of his independence; that he and his fellows are bound together and are being condemned to a common fate. With that develops a feeling that a happier future state should be in store for him and his fellows.

De-Man discusses the thought process of the worker which leads him to a belief that he is exploited, and the important influence of the urge to power and the urge to happiness which is to be attained through the development and satisfaction of all the needs of man, in the struggle for a better order.

Substitution of New Motives

In his discussion of incentives under the new order, DeMan contends that there must gradually be substituted for the present-day motive of the worker—the negative motive of the whip of hunger and of automatic discipline—a new motive if the worker is to function effectively in industry "after the revolution." The Marxians, he declares, were too likely to feel that these lost negative motives could be immediately replaced by the new motive of conscious social purpose, when the workers gained control. This motive might indeed be sufficient to inspire a few hundred revolutionary leaders, but this small number, even if they gave up all of their revolutionary aims, could not run the factories and keep industry going. The millions whose necessary to a revolution may be come so aroused by a far-flung political purpose that they will sacrifice their lives, if need be, to effect that purpose. But one doesn't make out of those emotions poor work habits.

The development of shop committees, the shop steward movement, democratic discipline within the shop, the spread of technical education and the preservation of craftsmanship, by means of the trade unions, are doing more to develop new motives needed after the revolution than all of the speeches and articles during the revolutionary period.

Social Inferiority Complex

Dealing with the class struggle, DeMan declares that the early history of the labor movement indicates that

and industrial institutions have been saved only by the direct intervention and assistance by the government.

One large bank, which must remain anonymous, was put on its feet when failure appeared certain through Premier Mussolini's orders to Milan's most capable banker to take over its management and to provide sufficient credits to tide it over. Two large automotive undertakings were saved from failure by government intervention, chiefly in the form of government orders for airplane motors and other necessary military supplies.

The heavy industries in the textile trade, with the exception of the artificial silk business, are in a rather bad condition. While the official unemployment figures do not show a great increase, there is more part-time employment than before. The large textile firms are operating three or four days a week rather than lay off workers entirely. Representatives of the American cotton firms are finding practically no market for bale cotton.

In the automotive industry there has been a considerable overproduction.

The question of balancing Italy's budget, which naturally has been disorganized by the rapid increase of the lire, is an important one. The gold value of Italy's international debt has been increased from \$3,500,000,000 to more than \$5,600,000,000. Bankers point out that this probably is the most serious aspect of the entire problem.

Premier Mussolini's financial task for the future appears to be the most serious problem he has had to face since his advent to power. It might be called a real test for Fascism.

exist, but the faith that was born at that time out of the political, economic and social conditions of the day is still held and retards the development of the class inferiority complex. The American worker therefore declines to be regarded as a member of the proletariat or a "wage-slave," even though his economic position has summed up as a social inferiority complex.

Psychology and the Class Struggle

Among the psychological factors at work in the struggle is the general belief that, fundamentally, rights should be equal. This feeling is handed down from Christian teachings, which emphasized the equality of individual souls; from the feudal system, which preached that there were no rights without corresponding duties, and from the democratic tradition, which emphasized equality of political and social opportunity.

The worker also develops certain feelings, desires, wishes, in relation to his environmental situation. De-Man maintains, He wishes to profit from his labor; to count for something and obtain power in the workshop and in social life generally; to join with his fellows, and secure protection in his work.

The social-political push to equality is greater in America than elsewhere, but it needs more spiritual food than it now secures.

Class and Social Solidarity

Discussing the doctrine of class solidarity, De-Man declared that solidarity is not new motive, but only a special form of the old social or altruistic instinct. Marx is wrong in assuming that class solidarity remains a simple class relationship and that it can only be transformed into a social ethic when a new class mastery has formed a new method of production. If this were really so, socialism would be in a bad way. The system adopted would be syndicalism, not socialism. Marx's conception is a too mechanistic and rational conception of the economic man, and is inadequate, as class interests alone do not develop into ethical motives. The fact that workers who become entrepreneurs often are worse despite than the entrepreneurs indicates the inadequacy of this solidarity theory.

Social Inferiority Complex Becomes Spiritual Gain

There is a time, continues the author, when the social inferiority complex of the labor movement changes from a spiritual loss to a spiritual gain, in that it takes a positive conception of right. When there is suffering there is hope, and where there is hope, there is faith, is a common psychological truth. Unpleasant emotional situations bring with them the sublimating conception of a better state of affairs. Out of the ethical indignation against the social relationship of increasing social inferiority grows the new feeling of longing for a better future relationship and what one longs for, one believes in. The strength of this faith increases in proportion as one becomes conscious of the suffering of the day. However, there must be as a preliminary condition to the reality of this faith a feeling of solidarity grounded at least in the consciousness of a class.

Goals Versus Motives

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Social Equality

The chief appeal of socialism to the masses, he says in another place, is not the promise of socialism rather than with the revolutions. He is a socialist not because he believes in the superiority of the future ideal of socialism to all other ideals, but because he believes that the socialist motives make better and happier men. For socialism raises their motives for activity and gives them super-personal purposes. It makes them powerful, while it drives them to dissatisfaction. Its worth to humanity does not depend on its logical system of thought but on the moral content of the motives that seek expression in it.

Goals are only imaginary points of a future horizon toward which we project our wills. They only turn into reality when they create motives to will action. The distance between the present situation and the desired goal should not be too great, if one is not to waste one's power. One secures greatest satisfaction when working for the goal that is possible.

DeMan declares that he was never a Marxist but that the more he separated himself from Marxism, the nearer he felt to the essence of Socialism, as it expressed itself in the external push toward a moral social order.

The Need for Faith

DeMan criticizes the use of force in social progress and declares that the drawing power of socialism diminishes as socialists try to drive too shrewd bargains as politicians. Post-war socialism, he contended, is suffering from the disillusionment of the worker, due to the fact that the socialists in many countries played too much politics during the war. This disillusionment is, in other words, a sign of unsatisfied needs for faith.

The opportunists will discover that they were throwing away their drum when they left the need of the masses for faith unconsidered. The author, in conclusion, declares his belief that the working class will abandon the prevalent materialistic symbolism and return to the religion that socialism had in its beginning.

—H. W. Laidler

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APPEAL'S FEATURE DEPARTMENT

Harry W. Laidler, Editor

Post War Socialist Thought

The Psychological Trend to Socialism

In Six Articles Article IV

the first fights of labor were of a defensive character. They were fought with the idea of bringing back to the poor the independence which the workers enjoyed before the introduction of machinery. It was less a loss of income, than a loss of independence which led to the fight. What spurs the workers on to participation in the class struggle today is not the simple emotional process of recognition of the difference of economic interests but a much more complicated emotional feeling which may be summed up as a social inferiority complex.

Psychology and the Class Struggle

Among the psychological factors at work in the struggle is the general belief that, fundamentally, rights should be equal. This feeling is handed down from Christian teachings, which emphasized the equality of individual souls; from the feudal system, which preached that there were no rights without corresponding duties, and from the democratic tradition, which emphasized equality of political and social opportunity.

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The Truth About the Real Russia of Today

War Communism and Revolution Gone, Dictatorship Passing, Socialization and Prosperity Winning

Editor's Note

Pierrepont B. Noyes, President of the Oneida Community, and former member of the Interallied RhineLand Commission, made a trip to Russia last summer. He saw things somewhat differently than the news about Russia had led him to suspect. He did not find communism in Russia. He did not find a utopia. But he did find a stable government, which was more and more trying to adapt itself to actual conditions forgetting the old bolshevik slogans and slowly moving forward. As a result of his observation, he felt distinctly that America should recognize Russia and permit Russia to work out its own salvation—a position which American socialists have held ever since the Russian revolution. As a contribution from one of the more liberal groups of American business men, the article is worthy of careful reading.

H. W. L.

Pierrepont B. Noyes (President of Oneida Community)

If you were to visit Russia today you would, I am sure, be immensely surprised at what you found there. The picture of that country current in the United States is at least five years old. The trouble is that our information has come from two interested sources,—on the one hand from the department of Soviet propaganda, and on the other from those colonies of aristocratic refugees who are congregated in every European city and who peddle out false information of the opposite kind. These latter have the best of it since most of us believe their reports with the result that for the average American, Bolshevik Russia is still the terrible Russia of the revolutionary period, 1917 to 1921. It is portrayed as a

country with a weak tottering government such as the refugees wish it had.

No Communism in Russia

I will list the surprises as they came to me.

(1) There is no communism in Russia. There has been none since the revolutionary years, and communism is not among the plans of the Soviet leaders at least for another generation. The "nationalization" of industrial equipment has been accomplished to the largest extent possible (about 90 percent) but it is in long ways from Marxian communism. Every man and woman in Russia gets graded money wages for work and pays money for everything received. I visited and studied the payroll of a rubber factory which turns out thirty thousand pairs of galoshes per day. I found there 90 percent piece-work.

Again, long cues of men and women stand all day in the streets awaiting their turns to buy in the cooperative stores where food, clothing etc. is much cheaper than in the stores owned by private capital.

No Coup d'Etat In Sight

(2) Refugees who are waiting hopefully in Paris or Amsterdam for a coup d'etat or counter-revolution to upset the present government and pave the way for their return are, I fear, doomed to disappointment. At a business proposition, I believe that the present government of Russia is more stable than half the governments of Europe. I believe that it is supported by a larger proportion of the population than most governments. Personally I would, with confidence, invest money in a business enterprise in that country.

People Hard at Work

(3) Instead of a people devoting

their energies to theory and propaganda, to revolution and counter-revolution, to disorder and cruel repression, I found a people most amazingly devoted to work and education.

The leaders are absorbed in organizing an industrial regime and working their way through to such economic status as will bring prosperity to all; and the people themselves are working—working with much the same hopeful enthusiasm as the French people showed when after the French revolution they fought all the rest of the world.

Eagerness for Education

The Russian people are excited over education. Twenty-five per cent of the national budget is spent on education. Madame Kamenetz told me that whereas before the war there was 90 percent illiteracy in Russia, their figures indicated that this illiteracy would be completely liquidated (as she expressed it) by 1933. I visited many schools and colleges and institutions for training teachers. Everywhere an earnest search for the latest ideas in education was apparent. I talked with teachers who had spent the last three or four years visiting other countries, seeking the best school system, and I talked with a librarian who for five years had studied the American libraries, especially the Congressional Library, and was then at work installing our latest system, in a library of eight hundred thousand volumes. All Russia is going to school as fast as equipment can be provided.

Formulas Revolutionized

Soviet Russia is revolutionary in this respect,—its structure is based on a radical formula which seems to me a very natural, if violent, swing of the pendulum from the equally

abnormal formula of the Czarist regime. Before the revolution all prosperity and happiness was the property of Russia's rulers and her wealthy capitalists,—for the workers only misery and starvation. The Bolsheviks have simply turned this formula bottom up. They are trying to give everything to the workers and own nothing. Politically, however, the result of this theory has been to create an autocracy which derives its power from a well-organized, well-disciplined "communist party" of about 1 million members scattered throughout European and Asiatic Russia and distributed in every factory and institution. This group is now very exclusive. Many would like to join but few members are admitted.

The communist party, like the Estrievians of ancient Rome, represents the governing power, but they are drawbacks to membership. A "communist" cannot receive in salary more than 225 rubles per month. In the "Dynamo" factory (the old Westinghouse plant), workmen get up to 180 rubles, foremen 250 rubles and engineers 500 rubles, but the superintendent, being a communist, gets only 225 rubles.

Dictatorship Waning

Industrially and commercially the "dictatorship of the proletariat" is, in my observation, slowly but surely giving way before an opportunity which is determined to get the "national economy" sound and prosperous. In fact I think that the redness of the present rulers, with Stalin at their head, is fading out to a light pink which would shock and does shock that minority which still is fanatically attached to the revolutionary Shabbeth of 1917 to 1919.

The permanent nationalization of industry to the end that "all the

product of labor shall go to the worker with no deduction for capitalist profits" is still a real hope, but proletarian management has been denatured until, with all their "shop committees" and labor regulations, the factories (and I visited many) are run very much like our own. Furthermore the government is willing to make many concessions to private enterprise and management to a temporary (they say) step on the road to their final goal.

Commercial Concessions

I had many talks with an American who is manufacturing all the pencils for Russia under a governmental "concession." His contract permits him to make at least 15 percent profit on capital and enough more to pay for his investment in 27 years. At the end of that period the plant reverts to the government. There is, however, in his contract a provision that, if at the end of 27 years, it can be shown that he has not made the stipulated amount of profit, an extension of time will be granted.

Conception of Russia Out of Date

The Russian revolution was bloody and brutal. The "nationalization" of industry was accomplished by wholesale confiscations which naturally shocked our western nerves. Bolshevik attempts to foment revolution in other countries, urged on as it was in the earlier years by a tragic belief in the necessity for such revolutions if their new system was to survive, quite naturally alarmed us all. But if we are interested in the future of the world more than in the past, we must look beyond the belated bogey-toting of our Kelloggs and Winston-Churchills, and beyond the lurid, out-door pictures drawn for us by visiting Russian lecturers who have not been in Russia for ten years, and must recognize that the Russia of

1927 is not the Russia of 1921. We must recognize that while it is still an uncomfortable member of our family of nations, its revolutionary leaders have become decidedly rational and disillusioned and are from necessity modifying its system and in spite of themselves are modifying their theories to fit a capitalistic world. Stalin has said, "Twenty years from now we can perhaps afford to spend money revolutionizing the world, but let's keep our money at home until we get our economics right." The labor unions who are responsible for the "Internationals" sent money to the British coal strikers, but even the labor unions are much disillusioned. Outside revolutionaries are likely to find them dismally "tight" in the future.

Relations With China

I pried into their relations with China and this is the reaction I got.

The Russian leaders would like to help China to a national strength sufficient to make them a bulwark against Japan. Beyond that they would fear an aroused China, greatly as other nations, more because the Chinese are at their doors.

In conclusion I wish to repeat the picture of Soviet Russia in the minds of ninety-nine out of a hundred Americans is five years out-of-date. Since 1919 most of us have read the news of Russia as a bloody picture of the revolution in our minds and, skimming the dots, have interpreted what we read in terms of those dramatic words—Bolshevik, communism, proletarian, army, etc. Most of us know that Russia simply isn't so today. It is a country with immense possibilities and a wonderful future. If we not meet them half way on the journey back to political and social practicality, and even, recognize the opportunity. Back in the days of their expedition into the imperialist, we may bring back something of value for the development of our civilization, either national or capitalistic, nor the money lent for war-making.

Farmers Reply to O. C. Parsons' Attack on Conservative Farmers

Calls Strikes and High Wages Futile

By C. V. Hill

(Richmountain, Arkansas)

I, the American farmer, admit that I am stupid, but look me over. The generations which gave me birth had a reputation for being good Yankees, traders, although they bartered the soil, fertility for mortgages, and traded the timber for war debts.

My agricultural department, colleges and experiment stations and every one of my farm papers are busy keeping the wool pulled over my eyes, yet inspite of all of their splendid organization, they now need the public schools, pulpit and the spare time aid of every business man and manufacturer in the entire nation to help them out.

I'll admit that I'm dumb. But don't you think I'm doing pretty well to keep such a lot of people busy keeping me so?

My county agents, fairs, and every so-called farmer organization I have, are each and every one under the control of the very people whose business it is to pick my pockets.

Now, Mr. Shovel Stoff, do you think you would have much sense if the very last one of your local union officers and speakers were working for your boss instead of you? I opine that if you had as many "friends" to help you as I have, you wouldn't have much sense either.

If you wise labor stiffs would take a tip from our bosses, you would know that it is only we farmers who can bring about a successful revolt in this country. The reasons why they let your organizations alone is because they know that you are harmless. They are watching us because they know they had better.

Now, because of all these reasons, I am so stupid that I still believe that when the overworked and underpaid girl in the shirt factories or child and toidy street in New York, strikes for ten cents more a shirt, that she is epimed out of my pocket, either at the cotton gin or at the corner store. Why? Because, don't I know that all the people that handle the lint from the time it leaves the farm till the shirt comes back, I am the least prepared to shoo that dime off on somebody else?

Because my gullibility and stupidity have been advertised in all ages in song and story I know that the other handlers of that lint know that I am their best bet to palm off that dime debt. Furthermore, I know that if I get five cents a pound more for my cotton, that five cents is compounded by the marginal percentage of every handler and the best way to rob me of my share of what I produce is to give me more money for it.

And yet you laborers strike for higher wages knowing that as the distribution of goods is handled on a percentage of their valuation, the higher the price, the larger the rackets for the distributor.

Why should our bosses interfere with your organizations when every strike merely puts a larger proportion of the profits into their pockets?

Editor's Note

What is the answer to this attack on higher wages? Shouldn't the workers protest when they feel themselves being ground down to a lower standard of existence? Shouldn't they resist or struggle, because a raise in wages might make the production and distribution of goods a little costlier, or put a little more money in the pockets of middlemen? There is and can be only one spa-

Let us have more from C. O. Parsons.

Editor's Note

What is the answer to this viewpoint? Would all the troubles of the farmers and city workers disappear if the banking and money system were nationalized? While the Appeal thoroughly believes that this step must be taken and believes it is a very important step, we do not believe that we could stop there. Either the ownership of the banking and money system by the people would have to result in the elimination of private monopolists and profit growers, of all kinds, or else we would have to eliminate them other ways, before we would be free and sovereign owners of the products of our toil. We would not be much better off than we are now if we took over the money system but left the system of production and distribution in the hands of private profit takers and monopolists.

Next week other replies from farmers will be published in this space.

Socialism Growing in Rural Finland

By Adolph Salmi

Socialism is growing rapidly throughout Finland and is making particular headway in the rural districts. The growth is so distinct and encouraging that a Socialist victory will give the Social Democrats a clear majority over all other parties in the next election would not surprise the Socialist leaders.

This is the cheering message delivered to the New York City Finnish Socialists at their recent May Day celebration by Oskari Tokoi, former Socialist premier of the fusion administration in Finland, who is fresh from Finland on a visit to America.

The growth of the movement is general and continues despite the desperate methods of the Communists to turn the tide, said Tokoi.

The present Finnish cabinet is composed of Socialists.

Farm Conditions

Bad All Over World

GENEVA, Switzerland.—The problems of farmers, including American farmers, received the attention of the international economic conference today when President De Michelis of the International Institute of Agriculture declared that in all countries farmers were receiving less for their products than before the war.

M. De Michelis warned the conference that if the farmers "ultimately learn the trick of producing as little as possible at the highest price, it would cause a calamity compared with which the present situation is."

As matters stand now, tax eaters and interest leeches are draining the life out of all the producers of the whole earth. After carrying this interest burden in a thousand forms, some direct, but mostly indirect, the majority of our own people cannot buy even common necessities. And financiers of the United States alone, have over nine billion dollars, largely paper.

Invested in the business of bleeding exorbitant interest from poverty stricken foreign nations, so that they cannot buy either, even necessary food and clothing from our farms.

A blanket mortgage is thus being woven on to the producers of the world, enslaving unborn children to other unborn children, even into the next century.

Provincial elections have just been held in Estonia in which the Socialists raised their representation from 29 to 57 seats,

Wheat Farmers Learn Collectivism At World Meeting

Success of Canadian Co-ops May Form Basis of World Organization

By Leland Olds

The striking success of Canadian wheat pools was the keynote of the 2nd international wheat pool conference at Kansas City. Pres. C. H. Burnell of the Manitoba wheat pool urged their extension on a world basis to enable farmers to control the grain markets of the world through their cooperative selling organizations.

Pool members, according to Burnell, do not have to dump grain on the market in the fall to meet expenses. Speculators therefore cannot take advantage of seasonal delivery to cut the price paid to the farmer. Members, he said, receive a payment from the pool when their grain is harvested and are paid in full when the wheat is finally sold.

U. S. Secretary of agriculture W. M. Jardine also held up the Canadian pools as examples to grain producers in other countries. He said:

"More than \$10,000,000 bushels were handled by the 3 pools during the crop year 1924-25 and approximately 212,000,000 bushels the following year. It is stated that 15,400,000 acres out of the 21,000,000 acres of wheat in western Canada are under contract to the 3 provincial pools. The membership now exceeds 142,000, which is approximately 56 percent of the total number of farmers in the provinces of Manitoba, Saskatchewan and Alberta."

Jardine called attention to the fact that the Canadian pools have acquired more than 700 country elevators and terminal elevators at Port Arthur, Fort William and Buffalo on the great lakes and at Vancouver and Prince Rupert on the Pacific. They maintain export offices at New York, Montreal and Vancouver and sales offices at Toronto, Ontario, and Paris, France, with agency connections in all principal importing countries.

Jardine said there were some 4000 cooperative elevators and 9 state-wide wheat marketing associations in the United States but that no single cooperative organization controls as much as 2 percent of the wheat produced in the country. The first step in the problem of grain marketing in this country, he said, must be some central structure to coordinate the cooperative associations now marketing grain.

The importance of this discussion to the American farmer is emphasized by the department of agriculture announcement that farm prices on April 15 reached the lowest level in 6 years. On that date they averaged only 25 percent above the prewar level, compared with 26 percent above prewar on March 10, 1926. The decline has hit every major group of farm products except dairy and poultry products.

Again the wheat farmers came in contact with the idea of a world-wide or international cooperative marketing organization. This idea is growing and becoming more of a reality every year. It offers the farmers an opportunity to control the surplus which under the present system will swamp the farmers if no remedy is found. It is drawing the farmers into that larger collectivism which is absorbing labor and is paving the way toward Socialism.

Single copies of any one of the following speeches may be obtained by addressing a request to Representative Victor L. Berger, Washington, D. C.

Combines Grab Distribution, Chain Store Profits Reveal

Editor's Note

The reader can reckon out what increased to 6.2 shares through stock dividends and split-ups. His shares mean on an original investment of \$500.

Woolworth with a 1926 profit of \$2,204,929 leads the list in size but shows a modest return of only 56.4 percent on the \$50,000,000 shown to have been invested by 1912. It is impossible to go farther back to see how much was really invested by the owners. A man who put up \$100 for a share in 1912 has seen his holdings increased to 6.2 shares through stock dividends and split-ups. His share has a market value of \$190 apiece or a total value of \$95,880. In addition he has received \$154.80 in cash dividends giving him a combined 14-year return of about 104.3 percent.

The American Stores Co. with a 1926 profit of \$7,557,875 gave the owners a return of about 250 percent. An owner who put up \$100 for a share in 1912 has seen his holdings increased to 10.2 shares through stock dividends and split-ups. His share has a market value of \$190 apiece or a total value of \$19,000. In addition he has received \$154.80 in cash dividends giving him a combined 14-year return of about 104.3 percent.

Pinching the Tradesman and Farmer

By Leland Olds

The amazing wealth piled up for the owners by the poorly paid employees of the great chain store systems is revealed by the 1926 reports of the leading chains. These show millions of dollars of unearned income turned over to investors who had risked only a few hundred dollars in the venture. A group of 6 chains shows 3 with 1926 profits of more than 200 percent and only 1 with a profit of less than 50 percent on the original investment.

Jewel Tea Co. leads the list in rate of return on common stock. Its 1926 profit of \$1,256,052 gave the owners a return of \$8.82 a share on par stock carried on the company's books at \$1 a share. This return of 68.9 percent in 1926 followed one of 514 percent in 1925—a total of